

OVERVIEW OF BUDGET - ATTACHMENT A

FUND: CSA 70 L PINON HILLS (ECG-170)
ACTIVITY: WATER

I. GENERAL PROGRAM STATEMENT

County Service Area 70 L, Pinon Hills, is located 5 miles northeast of Wrightwood. In FY 2001/2002, the County Board of Supervisors adopted Resolution No. 2002-07 removing water powers from County Service Area 70, Zone G and merged water operations for the Oak Springs area with County Service Area 70, Zone L, Pinon Hills. The District provides water service to 5,363 properties. The District maintains 13 wells, 23 booster stations, 59 pumps, and 6.6 million gallons of reservoir storage.

II. BUDGET & WORKLOAD HISTORY

<u>BUDGET HISTORY</u>	Actual 01/02	Budget 02/03	Estimated 02/03	Budget 03/04
Total Appropriation	3,230,019	10,959,639	9,517,081	11,377,819
Total Revenue	3,581,695	10,241,018	10,016,211	10,160,068
Fund Balance	366,945	718,621	718,621	1,217,751
 Budgeted Staffing		0		0
 <u>WORKLOAD INDICATORS</u>				
Water - Number of User's	5,227	5,227	5,265	5,363

2002-03 year end estimated expenditures are less than total appropriations due to unexpended reserves and contingencies.

III. HIGHLIGHTS OF RECOMMENDED PROGRAM FUNDED ADJUSTMENTS

A. STAFFING CHANGES

None

B. PROGRAM CHANGES

None

C. OTHER CHANGES

In FY 2002/03 the district was approved for \$5 million in loans to fund planned improvements of an additional well, reservoir storage and transmission pipelines. These projects will be completed in FY 2003/04. The district also plans to complete several booster station rehabilitations and a well during FY 2003/04. Both expenditures and revenues have been included in the 2003/04 budget.

D. FEE CHANGES

Budgeted Current Services revenue is derived from the FY 2003/04 recommended user fees. The minimum monthly service charge increased by \$2.10 per month, from \$8.50 to \$10.60. The other existing monthly service charges were increased by varying amounts. The increased bi-monthly consumption charges per 100 cubic feet are (0 - 14 hcf) \$1.47, (14 - 80 hcf) \$1.63, and (over 80 hcf) \$1.67.

ANALYSIS OF 2003-04 BUDGET

				A+C			D+E
	A	B	C	D	E	F	
	2002-03			2003-04			
	Adopted	Year End	Mid Year	Board	Recommended		
	Budget	Estimates	Appropriation	Approved	Program	Funded	Proposed
			Changes	Base Budget	Adjustments		Budget
Appropriations							
Salaries and Benefits	1,272,304	1,304,381	0	1,272,304	90,375		1,362,679
Services and Supplies	2,167,612	1,774,026	0	2,167,612	(499,158)		1,668,454
Central Computer	626	626	0	626	1,591		2,217
Other Charges	152,244	160,344	0	152,244	302,910		455,154
Structures and Improvements	0	0	0	0	0		0
Equipment	14,500	14,500	0	14,500	139,200		153,700
Vehicles	0	0	0	0	0		0
Lease Purchase-Vehicles	0	0	0	0	0		0
Operating Transfers Out	6,263,204	6,263,204	0	6,263,204	711,660		6,974,864
Inter-Fund Transfers Out	0	0	0	0	0		0
Reserves and Contingencies	1,089,149	0	0	1,089,149	(328,398)		760,751
Total Expenditure Authority	10,959,639	9,517,081	0	10,959,639	418,180		11,377,819
Less:							
Reimbursements	0	0	0	0	0		0
Total Appropriation	10,959,639	9,517,081	0	10,959,639	418,180		11,377,819
Revenue							
Taxes	0	0	0	0	0		0
Current Services	2,911,449	2,759,127	0	2,911,449	231,217		3,142,666
Use of Money and Property	131,432	32,093	0	131,432	(73,141)		58,291
State, Federal or Gov't Aid	0	0	0	0	0		0
Other Revenue	4,900,000	4,926,854	0	4,900,000	(1,103,219)		3,796,781
Operating Transfers In	2,298,137	2,298,137	0	2,298,137	864,193		3,162,330
Total Revenue	10,241,018	10,016,211	0	10,241,018	(80,950)		10,160,068
Other Financing Sources	0	0	0	0	0		0
Fund Balance	718,621	718,621	0	718,621	499,130		1,217,751
Total Sources	10,959,639	10,734,832	0	10,959,639	418,180		11,377,819
Budgeted Staffing	0.00			0.00			0.00

MID-YEAR APPROPRIATION CHANGES

0	100 Series	Salaries and Benefits	No Mid-Year Change
0	200 Series	Services and Supplies	No Mid-Year Change
0	241 Series	Central Computer	No Mid-Year Change
0	400 Series	Structures and Improvements	No Mid-Year Change
0	500 Series	Operating and Inter-fund Transfers	No Mid-Year Change
0	600 Series	Reserves and Contingencies	No Mid-Year Change
0		Fund Balance	No Mid-Year Change

RECOMMENDED FUNDED ADJUSTMENTS**APPROPRIATIONS**

<u>Salaries and Benefits</u>	90,375	Step and 3% COLA increase plus increase in retirement.
<u>Services and Supplies</u>	(499,158)	(290,000) reclassification of delinquencies; (170,004) decrease due to energy savings; 87,279 increase direct & administrative allocation; 24,550 increase COWCAP; 26,095 increase garage maintenance charges; (150,958) reduction in maintenance of structures; (42,997) decrease in maintenance of equipment; 16,877 increase net other.
<u>Central Computer</u>	1,591	Change in methodology for calculating each districts' share. 02/03 total charge was divided by number of districts, 03/04 total charge is based on number of accounts within each district.
<u>Other Charges</u>	302,910	290,000 increase first year debt service; 12,910 increase water mitigation to Mojave Water Agency.
<u>Equipment</u>	139,200	Funding for replacement and new equipment. See Equipment Detail.
<u>Operating Transfers Out</u>	711,660	Based on depreciation schedule and available capital project funding.
<u>Reserves and Contingencies</u>	(328,398)	Use of contingencies to finance 03/04 operations.
Total Appropriations	418,180	

REVENUES

<u>Current Services</u>	231,217	Recommended net user fee adjustments plus anticipated growth
<u>Use of Money and Property</u>	(73,141)	Decrease based on lower earnings rate applied to FY 02-03 estimate.
<u>Other Revenue</u>	(1,103,219)	Decrease in loan funding.
<u>Operating Transfer In</u>	864,193	Increase transfer in from capital replacement reserve for projects & operational support.
Total Revenues	(80,950)	